

# **Exhibit 1**

1 IN THE UNITED STATES DISTRICT COURT  
2 IN AND FOR THE DISTRICT OF DELAWARE  
3 - - -

4 S.O.I. TEC SILICON ON INSULATOR : Civil Action  
5 TECHNOLOGIES S.A. and :  
6 SOITEC USA, INC., :  
7 Plaintiffs and :  
8 Counterclaim Defendants, :  
9 v. :  
10 MEMC ELECTRONIC MATERIALS, INC., :  
11 Defendant and :  
12 Counterclaim Plaintiff. : No. 05-806 (GMS)

13 Wilmington, Delaware  
14 Thursday, February 28, 2008  
15 10:30 a.m.  
16 Telephone Conference

17 BEFORE: HONORABLE MARY PAT THYNGE, U.S.M.J.

18 APPEARANCES:

19 JOSEPH B. CICERO, ESQ.  
20 Edwards Angell Palmer & Dodge LLP  
21 -and-  
22 BRIAN M. GAFF, ESQ.  
23 Edwards Angell Palmer & Dodge LLP  
24 (Boston, MA)  
25 -and-  
MICHAEL BRODY, ESQ.  
Winston & Strawn LLP  
(Chicago, IL)

Counsel for Plaintiffs  
and Counterclaim Defendants

1 APPEARANCES CONTINUED:

2 PATRICIA SMINK ROGOWSKI, ESQ.  
3 Connolly Bove Lodge & Hutz, LLP  
4 -and-  
5 ROBERT M. EVANS, JR., ESQ., and  
6 MARC W. VANDER TUIG, ESQ.  
7 Senniger Powers  
8 (St. Louis, MO)

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Counsel for Defendant  
and Counterclaim Plaintiff

THE COURT: Good morning. This is Judge Thyng.

(Counsel respond "Good morning.")

THE COURT: Counsel, before we begin, who is on  
the line for Soitec?

MR. BRODY: This is Michael Brody, Your Honor.

THE COURT: All right.

MR. CICERO: Your Honor, Joseph Cicero from the  
office of Edwards Angell Palmer & Dodge here in Wilmington.  
Michael Brody is on from Winston & Strawn, and Brian Gaff is  
on from our Boston office.

THE COURT: All right. Thank you.

Who is on the line on behalf of the defendants,  
then?

MS. ROGOWSKI: Yes, Your Honor. This is Pat  
Rogowski of Connolly Bove for MEMC. Also with me will be  
Bob Evans and Marc Vander Tuig from Senniger Powers.

THE COURT: Thank you. All of you have

1 different first names, so that is how I am probably going to  
2 refer to you.

3 There is a couple of motions regarding some  
4 discovery disputes.

5 Counsel, before we begin, just a couple of  
6 reminders: One, state your name before you begin speaking  
7 so that the court reporter, who today is Kevin Maurer, by  
8 the way, knows who is speaking.

9 Also, counsel, this is now Judge Sleet's case,  
10 and he has not reassigned it to me. But I felt, in light of  
11 the fact that we had had discussions about discovery  
12 matters, rather than passing it back to Judge Sleet, I  
13 should just handle it and take care of it for him. I can't  
14 predict what is going to happen in the future in this case.  
15 I just don't know. So I am not giving you much direction,  
16 if there is any other discovery matters that arise.

17 All right. Let's take them in some type of  
18 order. Why don't we take the motion for protective order  
19 and to exclude a conflicted expert witness, which I believe  
20 is Soitec's issue.

21 MR. BRODY: That is correct, Your Honor. Would  
22 you like us to speak to it?

23 THE COURT: Sure.

24 MR. BRODY: I think it's pretty straightforward.  
25 We contacted Dr. Rozgonyi a number of months

1 ago. There was an initial conversation in which Mr. Gaff  
2 described some of our theories of the case. There was a  
3 followup conversation between Dr. Rozgonyi, myself, and Mr.  
4 Neuner in which we had some further discussions.

5 Dr. Rozgonyi quoted us a rate. And when we told  
6 him it sounded okay to us, he told us he was going to be  
7 working for MEMC.

8 There is no question that we sent him a copy of  
9 the patent. There is an e-mail from him giving a  
10 preliminary read on the patent and on the theories that we  
11 had discussed with him.

12 THE COURT: Why don't you point out to me, Mike,  
13 if you wouldn't mind, in your submission where that shows a  
14 copy of the patent, the preliminary read.

15 MR. BRODY: Sure. That is -- hold on.

16 THE COURT: I know it's under Exhibit A. It's  
17 what page under Exhibit A?

18 MR. GAFF: Your Honor, I believe that's Exhibit  
19 A, Page 1.

20 THE COURT: The actual first page.

21 MR. GAFF: Yes. There is a series of three  
22 e-mails on there. At the bottom of that page is the initial  
23 e-mail from me to Dr. Rozgonyi enclosing the patent. And  
24 then, just above that, there is an excerpt of another e-mail  
25 from me, directing him to particular column and lines in the

1 patent.

2 THE COURT: I just want to double-check, so I  
3 make sure we are both on the same page, if you excuse the  
4 expression. "Please see, e.g., Column 23, Lines 8 through  
5 12"?

6 MR. GOFF: Right. That is a snippet of a second  
7 e-mail that I sent to Dr. Rozgonyi after the one just below  
8 that on that page, thanking him for his time. Then Dr.  
9 Rozgonyi's response is the top of that page.

10 THE COURT: Okay. I am trying to go through  
11 this. Are you saying the one, "I took a quick look at the  
12 patent and think I could help with demonstrating how weak  
13 MEMC's position is"?

14 UNIDENTIFIED SPEAKER: Yes.

15 THE COURT: Then he relates to you, he will be  
16 at the Hilton and he is off to Italy in two weeks.

17 UNIDENTIFIED SPEAKER: That's right.

18 THE COURT: I have read through these. I wanted  
19 to make sure what sections you were actually relying on. I  
20 have them highlighted.

21 MR. BRODY: Mr. Gaff, Brian has certainly  
22 pointed out the passage.

23 We are not pretending like we asked Dr. Rozgonyi  
24 to spend hundreds of hours on this matter. But there  
25 clearly was a series of discussions in which we shared with

1 him our thinking about the case and in which he gave us an  
2 initial response that was sufficient for us to conclude  
3 that -- and, frankly, for him to initially conclude that he  
4 could go forward and provide us with expert support in the  
5 matter.

6 The case that I think gets cited here is the  
7 Koch Refining case.

8 THE COURT: I have read through that. I have  
9 also read through the Hewlett-Packard Company matter.

10 MR. BRODY: Okay. I think the reality, the Koch  
11 case kind of sets out two, you know, polar extremes. One is  
12 the case where you have basically an extended compensated  
13 relationship, and the other is where there is one call. And  
14 I think we are clearly in between those.

15 Here we would say that at the one extreme is, as  
16 Koch characterizes it, there was a series of interactions.  
17 They did coalesce to the extent that Dr. Rozgonyi understood  
18 our position in the case and our theories of it, and did so  
19 well enough to be able to give us his preliminary view on  
20 the subject.

21 The other extreme, the Koch Court talks about a  
22 situation where you have only one meeting with counsel,  
23 which is not the case here. There were at least two  
24 substantive discussions.

25 It's true that Dr. Rozgonyi was not retained,

1 although he quoted us a rate and we proposed to retain him.  
2 He was supplied with some specific material in the case,  
3 namely, the patents in reference to the particular portions  
4 that we wanted him to think about, and, of course, our  
5 discussions with him about our thinking. And he was  
6 requested to perform a service. Essentially, we asked him  
7 to give us his preliminary thoughts on the substance of the  
8 matter.

9 There is a suggestion in Dr. Rozgonyi's  
10 declaration that there is nothing in our conversations that  
11 wasn't disclosed in the interrogatory answers. With due  
12 respect to his recollection, in fact, the heart of our  
13 discussion had to do with the defense under Section 112 of  
14 the Patent Act, which is not a defense that was requested in  
15 those interrogatories, and actually is not something that --  
16 our thinking on that subject, at least, is not something  
17 that we have been asked to share with MEMC. As a result, we  
18 haven't.

19 So he knows about our theory of the case that up  
20 to now had been confidential. It's a problem for us if he  
21 picks up and switches sides.

22 While I realize that folks with these  
23 qualifications, you can't exactly find one on every street  
24 corner, there are a number of people who do this type of  
25 work. I don't understand the contention that, in fact, MEMC

1 would be without recourse if Dr. Rozgonyi were disqualified  
2 in this case. In fact, they have retained another expert in  
3 this matter, who has very strong credentials in this field,  
4 and presumably could address these issues if they need him  
5 to.

6 So we have a real concern here. I think we had  
7 a legitimate expectation that we were speaking to Dr.  
8 Rozgonyi on a confidential basis. And we would prefer not  
9 to see him popping up on the other side. And we think we  
10 have a right to request that.

11 (Pause.)

12 THE COURT: Counsel, we are back. Mr. Maurer  
13 expresses his apologies.

14 Michael, are you finished?

15 MR. BRODY: Mr. Gaff has, I think, a brief  
16 thought to add to this.

17 MR. GAFF: Your Honor, Brian Gaff here.

18 In my initial conversation with Dr. Rozgonyi,  
19 the first thing I inquired into was any conflicts of  
20 interest on his part, whether he was familiar with the  
21 parties who are involved, did he have a working relationship  
22 with any of them currently or any time in the recent past.

23 And he assured me that there were no conflicts.  
24 And based on that representation, I then launched into a  
25 discussion with him of the details of the case, the history

1 of the dispute, the parties, et cetera. And I can assure  
2 you that I would never have had that conversation regarding  
3 that subject matter with Dr. Rozgonyi had he indicated that  
4 there was a conflict of interest, if, for example, he said  
5 he had a relationship with MEMC.

6 It has always been my practice to tell an expert  
7 witness in these discussions that the discussions are  
8 confidential and that he should treat information  
9 confidentially going forward.

10 Again, I wouldn't have had the conversation with  
11 him had there been any representation on his part that there  
12 could have been a conflict of interest.

13 Thank you.

14 THE COURT: Thank you. Is there anything else  
15 that the plaintiffs' counsel wishes to add?

16 MR. BRODY: No, Your Honor.

17 THE COURT: Thank you. Can I please hear MEMC's  
18 argument.

19 MR. VANDER TUIG: Yes, Your Honor. Mark Vander  
20 Tuig for MEMC.

21 First of all, we would contend that even the  
22 details that have been added to the conversations with Dr.  
23 Rozgonyi by Soitec during the phone call today, they clearly  
24 fall on sort of the initial screening informal relationship  
25 side of the spectrum. The details that they have identified

1       are those which you have to disclose to any expert to  
2       determine whether or not that expert has the appropriate  
3       knowledge to be helpful in the case.

4                  I don't think they have identified anything by  
5       identifying the copy of the patent and the Column 23 excerpt  
6       that has been identified. It's simply the definition  
7       section of the '104 patent. They have identified nothing  
8       that is anything more than they have disclosed in this  
9       lawsuit as far as their theories of the case, their  
10      position.

11                 Mr. Brody identified the fact that we never  
12      asked about 112. But they have in Interrogatory No. 7,  
13      which is attached as Exhibit D to our filing, they did flag  
14      an ambiguous defense, which would be under 112, Paragraph 2,  
15      they state the phrase "substantially free of agglomerated  
16      intrinsic point defects," which happens to be the column  
17      number that they referenced here, the column and line number  
18      that they reference in their submission. That phrase, they  
19      claim, is ambiguous and cannot be construed.

20                 So they have disclosed their position that they  
21      think that's indefinite under 112, it is my reading of that.

22                 That was just a counter to Mr. Brody's point.

23                 They have to identify under the law something  
24      specific and unambiguous that would prejudice them if it is  
25      revealed. I just don't think that they have done so here.

1 To address the point about the limited number of  
2 experts in this field, it's true that there is, as Mr. Brody  
3 points out, there is a limited number with the appropriate  
4 qualifications. And I note that Soitec at the time it  
5 contacted Dr. Rozgonyi had already retained several  
6 witnesses with expertise in this field.

7 THE COURT: I read Soitec's argument, as far as  
8 MEMC was concerned on this what you call, I guess, public  
9 information or public concern, that MEMC has been able to  
10 retain an expert in the same field.

11 MR. VANDER TUIG: They have one expert, that's  
12 true. They have retained one expert. Their specialties are  
13 a little different. The reason we approached Dr. Rozgonyi  
14 was to explore different areas of expertise that wouldn't  
15 have been covered by Bergholz, who is the other expert we  
16 have retained.

17 THE COURT: All right. Have you finished your  
18 arguments for MEMC?

19 MR. VANDER TUIG: Yes, Your Honor.  
20 THE COURT: Is there any brief rebuttal that  
21 Soitec wishes to present?

22 MR. BRODY: Your Honor, very briefly, Mr. Vander  
23 Tuig is certainly correct that we indicated our view that  
24 that phrase was ambiguous. The concern is that we talked  
25 with Dr. Rozgonyi about our theories as to why that was the

1 case. And that's what we shared with him, and that's what  
2 we really would prefer not to share with Mr. Vander Tuig and  
3 Mr. Evans until we get to the appropriate point in the  
4 litigation.

5 THE COURT: Well, I had a chance to go over the  
6 two cases I predominantly looked at, because they seem to  
7 have been cited numerous times by both sides, the  
8 Hewlett-Packard case and the Koch Refining Company matter, I  
9 think both of them are instructive to this Court.

10 I note that one, the Hewlett-Packard case, is  
11 from the Northern District of California. The Koch Refining  
12 Company case is from the Fifth Circuit. But the issue the  
13 way that I was looking at it was the standards that were  
14 outlined in both of those opinions. And I also note that in  
15 the Hewlett-Packard case there was a bit of a conflict as to  
16 what information was conveyed to the expert. And I also  
17 note that in the Hewlett-Packard case, the relationship with  
18 the expert, from what I can tell, in that case certainly  
19 advanced further in my mind, based upon information that was  
20 discussed, than what necessarily occurred in this case.

21 For example, I think counsel in that case  
22 claimed the topics he had discussed included impressions of  
23 the patent, specific claim limitations, prior art, accused  
24 inventions, the type of evidence needed to prove  
25 infringement, and the names and qualifications of other

1 potential expert witnesses.

2 Of course, the expert characterized the  
3 conversation very differently. So the Court in  
4 Hewlett-Packard was faced with some conflicting differences  
5 between counsel who had had the discussion with the expert  
6 and the expert himself, not too unlike what we have here,  
7 that there is a difference between what counsel remembers  
8 and what the expert remembered.

9 In addition, that expert, I think, was  
10 compensated for his time that he had spent in his analysis  
11 on behalf of the party who had first contacted him.

12 There is a couple, I think, though, aspects that  
13 can't be ignored. One is that although we as Courts have  
14 the power to disqualify expert witnesses to protect the  
15 integrity of the adversarial process, disqualification is  
16 considered to be a drastic measure that the Courts impose  
17 hesitantly and rarely.

18 Also, there is a difference between  
19 communication between counsel and an expert and the  
20 attorney-client privilege, which was pointed out in the  
21 Hewlett-Packard case, noting that experts perform a very  
22 different function in litigation than do attorneys, and they  
23 are not advocates in the litigation but sources of  
24 information and opinions.

25 What this Court is supposed to look at to

1 determine if a disqualification of an expert is warranted.  
2 based upon the prior relationship with an adversary.  
3 includes whether the adversary had a confidential  
4 relationship with the expert and the adversary disclosed  
5 confidential information to the expert that is relevant to  
6 the current litigation.

7 To do the analysis of whether the disclosures  
8 were confidential is whether they were undertaken without an  
9 objectively reasonable expectation that they would be so  
10 maintained as being confidential or if, despite a  
11 relationship conducive to such disclosures, no significant  
12 disclosures were made, and therefore under those  
13 circumstances disqualification would be inappropriate.

14 It is the burden on the party seeking  
15 disqualification of an expert to demonstrate that it was  
16 reasonable for it to believe that a confidential  
17 relationship existed, and if so whether the relationship  
18 developed into a matter sufficiently substantial to make  
19 disqualification or some other judicial remedy appropriate.

20 And in evaluating the reasonableness of the  
21 parties' assumptions, there are a number of factors that  
22 were pointed out in the Hewlett-Packard case for this Court  
23 to look at, which I think have been discussed by the parties  
24 in this. And that Court also pointed out, as was oppositely  
25 pointed out in the Koch case, that you could have

1 disqualification denied, that is, it is not warranted, even  
2 if the expert has signed a confidentiality agreement with  
3 the adversary.

4 Koch and Hewlett-Packard both recognized that  
5 you don't have to have a confidential agreement already  
6 signed. Both cases emphasized what was the relationship and  
7 the expectation from, and really what is emphasized is  
8 whether there was confidential information disclosed.

9 As I said, there is a different standard, to  
10 some extent, as to what that confidentiality may very well  
11 be. Different isn't the right word. It's not the same as  
12 attorney-client privilege.

13 Confidential information is information of  
14 particular significance which can be readily identified as  
15 either attorney work product or within the scope of  
16 attorney-client privilege. And the strategy of the  
17 litigation is part of it that the Court takes into account.  
18 However, as decided in the Hewlett-Packard case, I find that  
19 the discussions between counsel and experts do not carry the  
20 presumption that confidential information has been  
21 exchanged. And the party is required to point to specific  
22 and unambiguous disclosures that if revealed would prejudice  
23 the party.

24 The Court is also required to consider the  
25 issues of fundamental fairness, that is, asking whether the

1 moving party was unduly disadvantaged and the opposing party  
2 would be also unduly disadvantaged, and whether any  
3 prejudice might occur if the expert is or is not  
4 disqualified.

5 Having considered all those factors, in applying  
6 it to this case, I am finding that Soitec hasn't met the  
7 standards that have been outlined in both the Koch and the  
8 Hewlett-Packard case.

9 Recognizing that there is some dispute between  
10 the expert as to what was disclosed, I don't think  
11 disclosing the patent and suggesting areas of the patent for  
12 the expert to read is sufficient enough, falls into the  
13 category of confidential information.

14 First of all, the patent is clearly not a  
15 confidential document. And pointing out an area or areas  
16 that they want the expert to concentrate on is insufficient,  
17 in my mind, to necessarily meet the aspect of was  
18 confidential information disclosed.

19 It to me is more like an initial screening  
20 process, certainly the type of questions that I believe  
21 Brian pointed out that he would have asked the expert, that  
22 is to determine if he is qualified, to determine if there is  
23 any conflicts of interest. And although, Brian, you may  
24 have expected that everything you were going to say to him  
25 was confidential, it still had to qualify that what you were

1 saying to him qualified as being confidential based upon the  
2 relationship or lack thereof that existed between the expert  
3 and counsel that was part of the conversation.

4 If, as you pointed out to me, Brian, you said  
5 you wouldn't have continued the discussions if there had  
6 been areas of potential conflict, that's fine. But  
7 potential conflict does not necessarily mean information  
8 disclosed rises to the level of being confidential. What I  
9 have heard so far today, I don't find that to have existed.

10 So I am not going to disqualify Dr. Rozgonyi in  
11 this case in light of the information that has been conveyed  
12 to me both in the arguments today and in the written  
13 submissions.

14 I also recognize that there is no doubt that  
15 this is a limited area of experts. I find that just because  
16 MEMC has retained an expert in this area, that suddenly  
17 means that MEMC is locked in and solely -- and that goes to  
18 somehow disprove that because it's been able to retain an  
19 expert there are available experts elsewhere. I note that  
20 parties frequently in patent litigation, and it doesn't seem  
21 this litigation is any different in that regard, frequently  
22 retain experts within the same field that may have a  
23 sub-field of expertise that might be particularly important  
24 to certain issues in the litigation.

25 I also find that some of the information that

1 was disclosed, apparently disclosed by Soitec to the expert,  
2 was also disclosed to the defense. I am not saying  
3 necessarily all, but certainly a piece of it. So that again  
4 removes the confidentiality aspect to me.

5 So, therefore, I am finding that, basically  
6 denying the motion to disqualify Dr. Rozgonyi.  
7

8 All right. I think there is a series of  
9 different concerns, I believe, that have been expressed in  
10 the other motion that was filed in this case. Let me just  
11 pull that up, counsel.

12 Again, this is another motion by Soitec. First  
13 of all, it deals with the test data summaries and then your  
14 request for documents and deposition testimony relating to  
15 the conception of the alleged invention at issue.

16 So am I correct, this is the two other remaining  
17 issues that are both Soitec's?

18 MR. BRODY: That's correct, Your Honor.

19 THE COURT: Okay. Let's do the test data  
20 summaries. Michael, what I would like to really know from  
21 you is: What are you trying to get? I mean, you said that  
22 MEMC has agreed to produce the raw test data. Understand  
23 that you are talking to somebody that is completely ignorant  
24 about this technological area, so I am not exactly certain  
25 what the raw test data doesn't have that the written  
technology report summarizing and analyzing the test data

1 would have, that you would expect it to have.

2 MR. BRODY: Well, it's got the conclusions.

3 THE COURT: I understand it has the conclusions.

4 MR. BRODY: The data, it's not an accident that  
5 you have somebody write up reports on this sort of data.

6 The data requires interpretation, and it requires analysis.

7 THE COURT: And you are basically saying that  
8 the sole basis given for MEMC's allegation of patent  
9 infringement was the testing that MEMC had performed on the  
10 donor wafer seized in the French case. Is that the same  
11 argument, is that being made in this case?

12 MR. BRODY: Yes. In fact, the interrogatory  
13 answer, we asked them why do you think we infringe. Their  
14 answer was, well, we tested the wafers we seized and we  
15 concluded that they infringed. So what I think we are  
16 entitled to is both the data on which that conclusion rests  
17 and the report drawing the conclusion and explaining the  
18 basis for the inference from the data.

19 So it's a situation where we have, you know, a  
20 contention of infringement that purports to be based on a  
21 report, and they are giving us half of, you know, the  
22 underlying data but not the report.

23 THE COURT: What do you do about their argument  
24 that you could easily conduct your own further testing of  
25 these wafers that are in your possession and find out why

1 they concluded in such a fashion?

2 MR. BRODY: I think there are two answers to  
3 that. The first is, I think we are entitled to know -- I  
4 don't understand --

5 THE COURT: You are entitled to know the basis  
6 for their contentions.

7 MR. BRODY: Yes, exactly. Our view is that --  
8 in fact, we have already produced to them documentation that  
9 at least some of the wafers that were seized don't infringe.  
10 They apparently reached a different conclusion. So we would  
11 like to know what it is.

12 THE COURT: They seem to feel that there is an  
13 argument that this is attorney work product.

14 MR. BRODY: Yes. I am not clear --

15 THE COURT: Would you prefer to hear their  
16 argument as to the basis as to why it is attorney work  
17 product before you try to answer that in the abstract?

18 MR. BRODY: Sure. I think that would probably  
19 be more productive.

20 THE COURT: I do, too, because if somebody is  
21 alleging attorney work product, the burden is on them to  
22 show that it is. So that is my first question to MEMC.

23 MR. VANDER TUIG: Your Honor, the tests that  
24 were run and the summaries that are at issue today were both  
25 conducted and put together at the request of counsel for

1 litigation with Soitec. As such, we think that that is a  
2 showing that it is attorney work product.

3 THE COURT: Let me put it this way: Haven't you  
4 put into issue that Soitec infringes? And if these tests  
5 were run to show that Soitec has infringed, even though the  
6 attorney may have requested them being run, haven't you  
7 directly put into issue that particular point?

8 MR. VANDER TUIG: That would be going towards  
9 the waiver argument, I think?

10 THE COURT: Sort of, yes.

11 MR. VANDER TUIG: On that point we think that  
12 the scope of work product waiver is narrowly construed, and  
13 to the extent there was a waiver in our interrogatory  
14 responses by alluding to the test data, our agreement with  
15 Soitec's counsel to produce the raw test data, the numbers  
16 generated by the test methodology that were relied on would  
17 be the extent of that scope, that any kind of conclusions or  
18 opinions of MEMC's employees who conducted the testing  
19 concerning the test data would fall outside the scope of  
20 that narrow waiver, if there was one.

21 THE COURT: Well --

22 MR. BRODY: I just want to make clear, we are  
23 not contending that the production of the raw data was a  
24 waiver, because we did have an agreement with Mr. Evans to  
25 that effect.

THE COURT: And I wasn't reading that that is what you were saying. I got the read from you, and I wasn't talking about a waiver in the sense of production of, that somehow you waived by producing the raw data.

My question is, haven't you put Soitec's infringement directly into issue in this case? And in doing that, if it's in issue, I don't know how protected anything is, whether it is attorney work product or whatever. But the information that they are asking for, is this information that will be used in the case to prove infringement?

MR. VANDER TUIG: No, Your Honor. We asked Soitec to produce wafers in this case, in the Delaware litigation, and they have. And tests have been conducted and are being conducted on those wafers, and that will be the subject of our expert reports in this case on infringement, and we will not be relying on the prefilings testing that occurred.

THE COURT: But you used the prefiling testing to justify what you started off in this case. Is that correct? So that you could avoid Rule 11.

MR. VANDER TUIG: That's correct, Your Honor.  
We relied on the test data, the raw test data. We didn't  
rely on, necessarily, the various opinions and discussions  
that were in the report that was generated by MEMC's

1 employees at counsel's request.

2 MR. EVANS: Your Honor, we asked the employee to  
3 answer a number of questions for us and look at a number of  
4 different things. So he answered our questions in the  
5 course of his report. The concern we have is that when we  
6 produce anything -- and we will see it in the next question  
7 with respect to conception -- every time you do something,  
8 somebody says, well, you've waived up to that point, you've  
9 waived up to that point, you've waived up to that point.

10 Our point is to the extent there is infringement  
11 in the prefiling investigation, and we believe there is, we  
12 have given them all that raw data and answered the  
13 interrogatory as to our contention on that, the contention  
14 interrogatory.

15 To the extent we ask an employee in the context  
16 of an ongoing lawsuit, you know, specific questions and look  
17 at things from different directions, that would seem to be  
18 work product.

19 THE COURT: I see what you are saying.

20 MR. EVANS: So this is the employee's analysis  
21 that was written from our perspective of, you know, in the  
22 context of our discussions with him and what we wanted. All  
23 the raw data, they can look at it, they can reach their own  
24 conclusions.

25 Michael Brody, Mr. Brody said that there were

1 some wafers where they believe they don't infringe. And we  
2 have spoken with Mr. Brody, and we agree with him that on  
3 the wafers that showed what we call agglomerated defects, we  
4 have agreed with him that those wafers don't infringe.  
5 So we don't have a dispute, I don't think, in  
6 terms of what wafers are in true contention here and which  
7 ones are not. And we are willing to give them all the raw  
8 data, and then they can make their own arguments if they  
9 think we have violated Rule 11, to make the argument as to  
10 why they think the data doesn't support what we did. We  
11 think it supports what we did.

12 THE COURT: When you gave them the raw data, did  
13 you give them the protocols on how they were tested?  
14 MR. EVANS: If we haven't given them how the  
15 data was collected, we would certainly be happy to give them  
16 the protocols for how it was collected, certainly, yes.  
17 THE COURT: Because the raw data is worthless  
18 unless you know how it was tested.

19 MR. EVANS: No. We are not going to hide  
20 behind -- if they need that information or don't have that  
21 information, we will certainly get that to them.  
22 THE COURT: So is your argument to me, and  
23 explain this to me, that by giving conclusions of why the  
24 wafers that are still in dispute infringe, it would  
25 constitute basically crawling into your mind as to the type

1 of questions that were asked of these employees in doing  
2 their analysis?

3 MR. EVANS: Yeah. I think the employee's  
4 analysis written for the attorney in response to  
5 conversations with the employee is a work product document.  
6 He has prepared it for us to address the questions that we  
7 asked. And the raw data is what it is. And their expert  
8 can look at the raw data and reach whatever conclusions they  
9 want.

10 So it seems like the employee's impressions and  
11 responses to our questions are classic work product.

12 THE COURT: I understand what you are saying  
13 then.

14 Does that help you a little more, Mike, as to  
15 what their basis is for the work product argument? And do  
16 you have any response?

17 MR. BRODY: Yes, it does help me understand. I  
18 know you won't be shocked to learn that I still see an issue  
19 here.

20 THE COURT: Did you get the protocols, first of  
21 all, on how the testing was done?

22 MR. BRODY: First of all, we haven't actually  
23 gotten all the testing yet or the protocols.

24 We have had a very good-faith relationship, I  
25 think, with Mr. Evans and Mr. Vander Tuig. And if he says

1 he is going to give us everything up to the reports, it  
2 would be uncharacteristic of him not to do that. So I am  
3 confident he will give us full disclosure of what the  
4 testing was and how it was done. And if we have other  
5 questions, I am confident he will give us all that  
6 underlying information.

7 I think the real focus here is on, you know,  
8 essentially you have got the testing. You have got a  
9 report. Then you have got an interrogatory answer that was  
10 provided to us. The real focus is on that intermediate  
11 step.

12 THE COURT: Yes.

13 MR. BRODY: And whether that is work product and  
14 whether any privilege was waived.

15 I guess I would say that every expert report is  
16 always based on underlying data. If it were sufficient to  
17 simply disclose the underlying data, then we wouldn't have  
18 some of the provisions that we have in Rule 26, and we  
19 wouldn't have anywhere near the sort of disclosure that we  
20 typically do, precisely because the reason you ask an expert  
21 to prepare a report is to interpret data that is not  
22 transparent to lawyers or judges or juries and about which  
23 reasonable experts may disagree.

24 And in evaluating the data -- and more  
25 importantly, I mean, it's not just that we want to ask our

1 expert what do you think the data shows. We also want to  
2 ask our expert, do you think that MEMC was justified in  
3 reaching the conclusion that is stated as a contention in  
4 the interrogatories. And part of that analysis is  
5 understanding precisely the inference that's made from the  
6 data to the contention. And that is what is in the report.

7 You know, we have got the conclusion, we will  
8 get the data. But we are not being given the glue that  
9 holds the two together.

10 In order to understand whether the contention  
11 holds water, I think we are entitled to that.

12 Now, Mr. Evans, I have forgotten if it was Bob  
13 or Marc, indicated that there would probably be further  
14 testing, which there may well be. But that actually kind of  
15 heightens the importance of exactly the report, because we  
16 are entitled to test whatever we ultimately get against what  
17 they themselves initially viewed as an appropriate  
18 methodology for analyzing these wafers. You know, it may be  
19 that the two are perfectly consistent. But it may well be  
20 that they aren't.

21 We certainly ought to be in a position to  
22 understand that.

23 The fact that questions were asked the first  
24 time around that may or may not have been asked the second  
25 time around, you know, again, is really very much fair game.

1 Once you get past the step of talking about a consulting  
2 expert, once you get to the point where you are relying on  
3 an expert to support a contention made in a formal pleading,  
4 I think all that stuff is out the window.

5 THE COURT: Well, now, I wonder about that.  
6 That's the question I do have. If these individuals are not  
7 going to be called as experts, or used as factual witnesses  
8 for information to reach a conclusion -- the factual  
9 information they may have, but whether or not they are  
10 going -- what I was just told was that the types of  
11 questions that were asked of these employees -- and this is  
12 how I interpret it, and MEMC can tell me whether I am right  
13 or wrong on this -- those types of questions that were asked  
14 of those employees on these series of tests, and the  
15 findings or conclusions they made, will not be used in this  
16 case.

17 UNIDENTIFIED SPEAKER: That's correct, Your  
18 Honor.

19 MR. BRODY: But they have already been used.  
20 They formed the basis of a contention as to our  
21 infringement. We can't know what the basis of that  
22 contention is unless we know what the analysis was that was  
23 done to get from the raw data to the contention.

24 THE COURT: Are you saying, then, that in all  
25 circumstances, Mike, that if in support of responding to